



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

# PUBLIC WORKSHOP NOTICE

February 1, 2019

TO: INTERESTED PARTIES  
FROM: EXECUTIVE OFFICER / APCO  
SUBJECT: **PUBLIC WORKSHOP – DRAFT AMENDMENTS  
TO REGULATION 3: FEES**

The Bay Area Air Quality Management District will conduct a public workshop on **Tuesday, February 19, 2019, starting at 2:00 PM**, to discuss draft amendments to District Regulation 3: Fees. The workshop will be held in the 1<sup>st</sup> floor Yerba Buena Conference Room at the District's office located at 375 Beale Street in San Francisco and will be simultaneously webcast.

The amendments to the District's FYE 2019 fee regulation would be effective on July 1, 2019 and would increase fee revenue in order to help the District recover a greater share of the costs the District incurs in implementing and enforcing regulatory programs for stationary sources of air pollution. The following changes to the District's existing Fee Schedules are proposed based on a recently updated analysis of cost recovery for regulatory programs:

Schedule A	Hearing Board Fees	15 % increase
Schedule B	Combustion of Fuels	3.9 % increase
Schedule D	Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals	6 % increase
Schedule E	Solvent Evaporating Sources	9 % increase
Schedule F	Miscellaneous Sources	3.9 % increase
Schedule G1	Miscellaneous Sources	15 % increase
Schedule G2	Miscellaneous Sources	15 % increase
Schedule G3	Miscellaneous Sources	7 % increase
Schedule G4	Miscellaneous Sources	15 % increase
Schedule H	Semiconductor and Related Operations	9 % increase
Schedule K	Solid Waste Disposal Sites	15 % increase
Schedule M	Major Stationary Source Fees	3.9 % increase
Schedule P	Major Facility Review Fees	8 % increase
Schedule S	Naturally Occurring Asbestos Operations	15 % increase
Schedule T	Greenhouse Gas Fees	8 % increase
Schedule V	Open Burning	3.9 % increase
Schedule W	Petroleum Refining Emissions Tracking Fees	9 % increase

The following specific fees in Regulation 3 are proposed to be increased by 3.9% based on the 2018 Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W):

- Section 3-302: New and modified source filing fees
- Section 3-311: Emission Banking Fees
- Section 3-312: Regulation 2, Rule 9 Alternative Compliance Plan fee
- Section 3-320: Toxic Inventory maximum fee
- Section 3-327: Permit to Operate renewal processing fee
- Section 3-337: Exemption Fee
- Section 3-341: Fee for Risk Reduction Plan
- Section 3-342: Fee for Facility-Wide Health Risk Assessment

The following additional amendments are proposed:

- Revise Section 3-302 to specify that for those applicants that qualify for both the Small Business Discount (50%) and Green Business Discount (10%), only the 50% higher discount shall be applied.
- Revise Section 3-304, Alteration, to clarify that the risk assessment fee shall only be charged when the alteration required a health risk assessment.
- Revise Section 3-311 to align the current rule language with established Air District practice for applying banking fees to emission reduction credit transactions.
- Add Section 3-343, Fees for Air Dispersion Modeling, to recover the Air District's costs for conducting, reviewing, or approving air dispersion modeling done to meet a District regulatory requirement (e.g., for demonstrating compliance with Regulation 9 Inorganic Gaseous Pollutants, Rule 2 Hydrogen Sulfide requirements, Regulation 2-2-308 NAAQS Protection Requirement).
- Revise Section 3-405.5 to reduce additional late fees charged to invoices for registration and other fees which are more than 30 days late. Historically, these delinquent fees have been assessed at a disproportionately high rate to small businesses such as gasoline dispensing facilities, dry cleaners, and auto body shops. To reduce this burden on small businesses, the proposed amendment lowers this delinquent fee from 50% to 25%.
- Revise Fee Schedule E, Solvent Evaporating Sources, to clarify when the minimum and maximum fees apply for each source.
- Revise Fee Schedule L, Asbestos Operations, to delete the fee specific to mastic removal by mechanical buffers so as to assess fees for such work at the same rate as for other regulated asbestos containing material removal work.
- Revise Fee Schedule N, Toxics Inventory Fees, to recover the Air District's costs for AB2588 fees to be paid to the California Air Resources Board and for staff to conduct the Air District's AB2588 work.
- Revise Fee Schedule S, Naturally Occurring Asbestos Operation, to include a fee of \$325 to recover the costs for reviewing, processing, and approving amendments to existing Asbestos Dust Mitigation Plans (ADMPs). Also, revise Section 3-332 to clarify that persons required to amend ADMPs shall pay the fees set out in Fee Schedule S.

### **Visit the District's Website for More Information**

The proposed amendments to Regulation 3 will be available **by February 8, 2019** on the District's website at <http://www.baaqmd.gov/reg3>. Please direct your comments or questions to Barry G. Young, Senior Advanced Projects Advisor, Engineering Division, at (415) 749-4721, or via email at [byoung@baaqmd.gov](mailto:byoung@baaqmd.gov).

Staff will discuss the proposed amendments at the workshop, and will receive written comments until **Thursday, March 21, 2019**. Prior to the workshop, the link to the simultaneous webcast will be available at <http://www.baaqmd.gov/reg3>.